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ABSTRACT

In response to recent economic strictures imposed by state and local property tax structures and inflation, those responsible for operating community colleges have been forced to look for supplementary sources of funds at the state and federal levels. With this reach for necessary supplemental resources have come both explicit and subtle inducements encouraging the community colleges to develop specific types of programs. To examine the real and imagined impact of federal financing on community college operations, the Center for the Development of Community College Education at the University of Washington cooperated with interested trustee groups in Washington, Oregon, and California to organize an educational "federal funding" conference for trustees and administrators of public community colleges. The topics explored at this conference included: (1) the funding crisis endemic in higher education; and (2) the problems and pitfalls as well as the advantages of community college grantsmanship and the structure, philosophy and operational problems of federal funding agencies. (Author/AL)

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PROCEEDINGS: COMMUNITY COLLEGE TRUSTEE CONFERENCE

"THE COMMUNITY COLLEGE FUNDING CRISIS"

Howard B. Larsen
Jean Hunter, Editors

JC 720 001

UNIVERSITY OF CALIF.
LOS ANGELES

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CLEARINGHOUSE FOR
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Center for the Development of Community College Education

University of Washington

Frederic T. Giles, Director

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PREFACE

The historic local orientation of community colleges has prompted those responsible for their governance and administration to view the financing of their institutions as a local problem. Much effort, with varying results, has gone into the task of convincing local populaces of the necessity of providing financial support for the comprehensive programs which meet both our broad social needs as well as provincial concerns.

In recent years, the economic strictures imposed by state and local property tax structures and inflation have forced those responsible for operating community colleges to look to supplementary sources of funds at the state and federal levels. The art of "grantsmanship", long the province of the university, has come of age in community colleges which recognize these sources as essential for continued program development. "Development Officers" whose sole responsibility is the generation of revenue producing grants and projects have become commonplace on community college campuses.

With this reach for necessary supplemental resources have come both explicit and subtle inducements encouraging the community colleges to develop specific types of programs. The potentiality of additional resources at the federal level make it necessary for all administrative officers to consider the federal government as an important funding source. For most community college trustees, the influences, pressures and requirements associated with federal financing of college projects poses both value and procedural problems.

In order to examine the real and imagined impact of federal financing on community college operations, the Center for the Development of Community College Education cooperated with interested trustee groups in Washington, Oregon, and California to organize an educational "federal funding" conference for trustees and administrators of public community colleges. The topics explored through this conference included: the funding crisis endemic in higher education; the problems and pitfalls as well as the advantages of community college grantsmanship and the structure, philosophy and operational problems of federal funding agencies.

The conference was exploratory in nature, seeking to examine advantages as well as drawbacks associated with seeking federal funds to supplement locally generated revenues. The conference was funded through a grant from the W.K. Kellogg Foundation and involved participation of trustees and administrative officers in the three states mentioned. Those who participated expressed the desire for a document summarizing the conference and that it might be more widely disseminated to their collegues. This paper is a report of the proceedings of this conference.

Howard B. Larsen

Associate Director for the Center

THE FUNDING CRISIS IN HIGHER EDUCATION

Fred Balderston
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Chairman of the Center
for Management Sciences
University of California
Berkeley, California

Dr. Kasterline advertises me as someone wanting desperately to hear your questions so he can provide the answers you want to hear. I am reminded of the airline game people play when they have nothing better to do; one person gives an answer for which another thinks up an appropriate question. My answer for you is one million dollars, and I forecast that the question you would give back is: how much money do we need in our district to put that new program into operation?

Having gone back to teaching last fall after four years as a full-time administrator, I am so addicted to having a captive audience that I may be unable to restrain myself today. I do have enough recollections of meeting with the University of California Board of Regents, testifying before legislative committees on the university budget, and otherwise dealing with people from what we in academia call the "real world," that I will try to hold my remarks to about a half-hour so that there can be some give and take. I will be most interested in hearing your questions and comments, as well as your ideas about the problems I hope to outline.

Your program says that I will speak on "The Anatomy of the Crisis in Funding." In addressing this subject, I will draw upon the recent and interesting materials in a Carnegie Commission study done by my friend and colleague, Professor Earl Cheit. Its title, "The New Depression in Higher Education," has a very bleak ring about it, I'm afraid, but in Cheit's considered judgment, higher education is depressed. I will also cite my practical experience in budgeting and planning, and the results of my thinking about basic ways to do budget analyses and financial planning for higher education, the latter done while working with people President Hitch and I secured for a Ford Foundation sponsored program of research in university administration problems. Finally, I will draw upon some of the work done in addition to Cheit's study, by the Carnegie Commission on Higher Education for which I served as a technical advisor.

Cheit defines fiscal problems in institutions of higher education as situations in which one is faced with some kind of serious cost-income squeeze. The cost per student and the total cost of operation may be rising faster than the revenue per student, or the revenues of the institution's programs. Cheit studied forty-one institutions in which

he and several others of us did field interviews in considerable detail. He then pulled this material together and interpreted it, absolving those who did the interviewing of any responsibility for the conclusions he drew. The study included community colleges, liberal arts colleges comprehensive public institutions, and regional and national universities. As a special case of social and moral interest, some predominantly Negro colleges located mainly in the southern states were included.

The institutions were defined and examined, and then placed in one of three categories; "in financial difficulty," "headed for trouble," and "not in trouble." There are both advantages and disadvantages relative to public contributions of an institution being placed in each of the three categories. Classification as "not in trouble" enables you to say, "Look, it was found that we control ourselves beautifully, and manage our activities within our resources." A drawback of this position arises when you must ask a donor or foundation, or a hard-headed legislative committee, for additional funds. They are likely to respond that you have no need for money and should wait until your real trouble develops before requesting funds. At the other end of the spectrum, being in financial difficulties allows you to go to the voters, alumni, or foundations and say, "Please help us because, unless you do, we will not be able to serve our mission to students and society." A disadvantage is the implication that somehow things have gone wrong, and that the institution must bear responsibility for negligence or ineffectiveness and for having gotten into its difficulties.

We tried to anticipate where on this scale the responsible people in the sample of institutions would prefer to be if they had a choice. We finally concluded that from the public relations point of view, the best position would be "headed for trouble"; that is, not in grave difficulty, but not on "easy-street" either. Such a position implies continued need for both funds and ways of keeping control of the budget. As it turned out, the bulk of the institutions Cheit studied were in fact in this middle category; eleven out of the forty-one were "not in trouble," eighteen were "headed for trouble," and twelve were categorized as "in financial difficulty." If institutions were in the process of changing from one category to another, the direction was toward fiscal trouble--very few were approaching easy-street, while a good

many were heading for tougher times.

I think the way Cheit designed the study may be of interest to you. To establish a base and determine how each institution's fiscal resources worked in relation to its program, efforts were made to talk not only with the president and other chief administrators, but with academic spokesmen. Information was gathered about the income from various major accounts, the current expenditures, and the yearly enrollment from 1959-60 through 1969-70. From this base of information the rates of increase in income per student per year and expenditures per student per year were computed. Changes in the composition of income and expenditures were also examined.

An institution defined as "not in trouble" had to be able to demonstrate that it had the financial resource to modify and improve its program, when necessary to carry on its mission. At the other extreme, an institution designated as "in financial difficulty" was one which had already cut back programs and services because of fiscal worries and constraints, and was therefore unable to achieve its mission. The intermediate position, "headed for trouble," was between these and combined some of the features of both.

One real problem in using these definitions was the requirement that each institution sort out its objectives in order to answer the question of whether its resources were sufficient to allow movement toward accomplishing its goals. A certain amount of fuzziness is obvious in the approach, but it was justifiable as an attempt to see beyond operating deficits. Many public institutions are prohibited from having operating deficits; they must balance their books and stay within the budget or face serious consequences at the end of the fiscal year. Other institutions have massive resources, and deficits cause few problems. Whether or not an accounting deficit existed, therefore, did not seem critical to the question of serious financial stress in an institution. For this reason, the study was set up to obtain descriptions of how institutions assigned to each of the three categories operated, as well as to determine the possible causes of a situation in which some institutions were having serious troubles and others were not.

Cheit titled his study "The New Depression in Higher Education" in

the belief that, even though some institutions have few fiscal problems, the basic forces of the situation lead to pessimism about the financial picture for the future. As an economist working on budget problems in education, I too have a few things to say about the fundamental causes of our financial difficulties. Interest in federal sources of income is evident in the topics to be discussed during this conference, so I think I should report to you that the institutions Cheit found to be in significant financial difficulty were those which, during the 1960's, had relied increasingly on federal funding. Major universities with a lot of graduate instruction and research activities heavily financed by federal agencies were in relatively greater fiscal difficulties following the pull-back in federal financing than were institutions which did not rely heavily on this source of money. Without denying the importance of federal funds as one solution to certain local and state problems, I caution you about looking to them as the sole relief from the problems in higher education. Some new dispensation of major proportions may develop in and around Washington, D.C. in the next year, but from my own observations as the University of California representative on the Council on Federal Relations, I see little evidence of a desire to revise completely the federal government's responsibilities for financing higher education. The situation is subject to change, of course, but right now there seems to be little chance of increases, even in programs with traditionally high political priorities, such as student aid.

Apart from federal funding, other sources of income are often allocated on the basis of a certain amount per student. Either students pay tuition or appropriations from state and local governments, which are themselves workload based, are made according to the number of students enrolled. An interesting result of this kind of funding has been that in about two-thirds of the private and public institutions studied, the increase in income per student has tended to lag behind increases in the expenditure rate per student.

We need to give special attention here to the pressures on expenditures, because it takes less imagination to deal with the problems of income. If you are responsible trustees in a community college district, asking voters for an increase in the local tax rate, or if you

are at the state level and face the question of changing the formula basis of support to community colleges, you are familiar with the resistance to these increases. The problems of shifting costs to the student or his parents, however, are especially troublesome to community colleges because they are regarded as the most available access point to higher education. To the extent that they are counted on a first line of accessibility, there is greater sensitivity to tuition or fee increases at the community college level than in other segments of higher education. Not only community colleges, but all institutions of higher education are faced with the problem of setting prices so high that customers are driven away. Furthermore, when you raise prices--as many private institutions have been forced to do--you must also set aside a good part of the increase in revenue for financial aid for students who would be unable to attend without it due to the increased cost. Many private college administrators estimate that approximately one-half of the income from raising tuition must be allotted to financial aid, and the remaining half can then be used to support the institution's budget.

During the 1960's, Cheit's study and another one made of four major private universities both indicated a tendency for expenditures per student to increase between 6 to 8 percent per year compounded. That is, the cost per student roughly doubled every fourteen years. That is a frightening statistic when you think about it, because it means that for a long period in the past we have had this engine of cost increase in higher education. Now, what caused it? Is it due to inflation? We did have a considerable increase in the general price level during the 1960's, but the rate of increase during that time was less than half the rate of increase of expenditure per student in higher education. The reasons for the remainder are quite complicated. It is in part a consequence of what people are trying to do in higher education as of 1970, as compared to 1960. One reason many universities are in deep financial trouble is the rising proportion of high cost activities they engage in. Medical and dental education, education for the Ph.D., and heavy research commitments in the physical and biological science, are some examples. Such programs tend to shift to the

large universities activities which are more costly per student by far than undergraduate education in, for instance, the liberal arts.

These compositional shifts in activities can occur in community colleges as well, and create there a similar trade-off in relative costs. The amount of attention a college gives to the physical sciences and other laboratory subjects determines the cost per student per credit hour because courses such as engineering are more expensive than those in the social sciences and humanities. An even bigger difference exists between vocational-technical and academic offerings. Although I am not an expert in community college finance, I understand that vocational-technical education is quite a bit more expensive per student year than are academic programs. Now, if there are good reasons for a community college or Princeton University to shift activities toward more expensive programs because they are needed and clearly serve a useful purpose, it is not a bad thing to have an increase in cost. But this does not relieve the budget crunch associated with such a change in mix toward more costly programs.

As you know, wages and salaries make up the great bulk of the operating budgets in institutions in higher education. Unlike the average manufacturing industry, raw materials represent a fraction of the budget in colleges and universities. Upward pressures on wage and salary rates, therefore, have a powerful effect on higher education, because of the variety of jobs found in educational organizations. If cost of living increases occur elsewhere in society, teachers and staff people are going to claim that the mere fact that they work for a college should not reduce their real income. They are going to ask for at least a cost of living adjustment, and probably for counterpart wages comparable to lines of work in business, industry, and government. You can see this clearly in negotiations, (or conversations if they are prohibited from negotiating,) which colleges and universities now engage in with craft workers, building trades, and other unionized employees. Workers demand parity with wage scales outside higher education. In budgetary terms, this translates into upward cost pressures existing because you have a main-laid wage and salary budget.

A specter lies beneath all this. Karl Marx threatened us with

communism in the 1850's and 1860's, but I see the specter of constant productivity as another threat. What do I mean? Suppose that in education we continue to do the same things we have been doing. We teach the same number of students per faculty member, we have about the same number of departmental secretaries and counselors, and so forth. Meanwhile all around us in other lines of work, for example dentistry with its high speed drills, output per man hour is going up. In this situation, as a professor of economics I see the real cost of education inevitably rising in comparison with costs in industries where output per man hour has increased instead of remaining stable. This occurs aside from inflation, and correcting for it. Year after year we must, therefore, go back to the taxpayer or the student and his family, and say that because we do not know how to do any better, we need to increase resources, even while improvements in efficiency in other areas are being translated into lower prices or higher incomes.

Thomas William Born of Princeton discussed the specter of constant productivity in an early Carnegie Commission study. Its actual existence is difficult to demonstrate because it depends on the notion that output per faculty teaching year has not changed. To our embarrassment, we do not even know what our output is. We are uncertain about what we deliver to the student or to society. We know we can keep students incarcerated in colleges and count how long they stay there, but we are not really sure what they have learned, or why, or how. Our uncertainty about whether students are learning more per dollar this year than last is not surprising because we never did know how to measure the outputs of education. Budgets are based on how many students are enrolled. This is like basing the budget of an oil company on how many gallons it pumps through pipelines, instead of on how many gallons sold, or their worth to people. We measure everything in our budgets according to the working process, and not by the results or final product. We are not alone in this, for many budgets in the public sector are based on some kind of workload measure which is not a results measure. Nevertheless, I think it likely that productivity improvements are particularly difficult and slow in education at any level--elementary, secondary, or post-secondary. Educators need to use the lessons of tech-

nology--how to increase output per worker and achieve a better fit between what we try to do and what needs exist. In other words, we must use our best resources to modernize and change in order to accomplish the fundamental improvement inherent in increased productivity.

The computer represents one seemingly magic solution, and it has been adopted widely in higher education with resulting massive expenditures. We have all been sold; I have been sold, and I have sold my students. I agree that computers are here to stay, but their cost to colleges and universities is enormous. Students are learning things they did not learn before we were able to utilize the computers, and that is good. The content of education is probably changing, at least lights are flashing now and students are staying awake when they might have been sleeping. However, computers do represent a solid add-on to the previous budget level. They do not substitute for anything we were doing before. This is not necessarily bad for colleges and universities, but we must realize that we have not learned yet how to substitute the magical information processors and number punchers for our previous pattern of using people, books, and classrooms in conjunction with the student and his learning process. Our use of computers is not like what General Motors or your favorite agricultural-marketing cooperative does with them. Nor is it like what IBM itself alledgedly does, (I often wonder how effectively IBM really uses computers.) What it does resemble is frosting on the cake. I favor educational enrichment, but technology in the form of the computer has yet to increase the observable productivity of the educational process. I wish this were not the case. I wish we could point to some clear evidence that a shift toward computerized instruction or programmed instruction has changed the cost structure.

There are some reasons why it might be proper for educational costs to keep rising. When a knowledge explosion occurs, we need to train people more deeply for the professions, as well as to educate them to be more civilized and humane. There are limits, however, to our claim on society's resources; we simply cannot afford to keep advancing the cost per student year by 6 or 8 percent compounded annually, which was the pattern in the 1960's.

QUESTION AND ANSWER PERIOD

Question: What have you found in your work with the application of PPBS to education? Does it increase efficiency and effectiveness? Does it work?

Answer: The use of planning, programming and budgeting systems in a field such as education involves basic problems beginning with the issues of centralization and measurement of results. The use of PPBS requires knowledge of objectives and a criterion for determining how far you are from them. PPBS provides a way of looking at the cost of alternatives. When you can assume that two alternatives allow the same degree of attainment of objectives, your only problem is to compare the cost of the two. By applying PPBS to education, we can also examine the accounts of an institution. Customarily, these accounts came out of a fund-accounting system; that is, available money was labeled in terms of its source and then you made sure you did not overspend in any fund. This is accounting control, but it is a far cry from cost accounting. Within the accounting structure, you have wages and salaries, supplies, equipment and facilities, management costs, and so on. These are, in effect, long-lived categories which you must re-cast to determine how much it costs to man specific courses and programs. In one sense, we do have approximations to program costs wherever a unit of organization can be labeled and when we know where people are working. It is fairly easy to determine the number of workers and how much they are paid. It is much trickier to define each program area students are going to move through, and then find out how to make a trade on the relative costs per student. Engineering students are going to take courses in English, so you have to go through a complicated matrix to trace costs and then re-cast them to estimate program costs. Some fairly elementary ideas, like program costing, are helping us deal with this problem. We are still, however, a long way from being certain that planning, programming and budgeting systems really provide answers. Some solutions involve values and are questions of public policy; are poets more valuable than dentists?

Question: In your opinion, what do community colleges accomplish at a cost of about $800, as compared with $1,400 in state colleges and

$2,800 at the University of California?

Answer: At both the state and national levels, the question of allocation of responsibilities between the various groups of educational institutions and services is critical, and is becoming more so with time. If the proposition is true that some parts of public higher education can do the job more cheaply than others, then this sector should be expanded and the more expensive parts cut back, eliminated, or made private. It is testimony to my concern about efficiency that I have spent as much time as I have on this question. Let me give two reasons why; (A) the universities are at the cost limit end of the spectrum, and (B) there are deep financial difficulties, as evidenced in the study by Cheit I mentioned previously.

Certain programs within universities are fearfully expensive, particularly medical schools. Furthermore, the research mission of universities is currently exacerbating their financial difficulties--especially in private institutions--because of drastic expansion in the sciences and doctoral programs in response to public pressures. They receive substantial federal and foundation money, and then build it into their cost structures. They construct large buildings and laboratories, and then must maintain them although the money is dwindling off. You can kill yourself off through the generosity of others, as private and public universities are learning.

Expensive academic programs and large research commitments which require substantial extramural funding contribute to fiscal problems. The University of California has attempted to separate out the cost of research from instructional programs--an admittedly difficult, if not impossible job in some areas, in considering the massive amounts of research done by land-grant institutions with state and federal funds. We found our cost per student year on the non-medical campuses to be approximately $1,800. That is far from $800 a year, but we should remember that certain programs in community colleges cost more than this sum. Radiological technician training, occupational therapy training, or automatic type-setting and printing--all cost several times the input dollars per year. Yet you would not want me to suggest that those programs ought to be expunged from the community colleges.

So I say that, because of difference in its mix of activities universities have higher costs in relation to enrollment then do community colleges, but when the latter concentrates on the more expensive programs, they too will have costs per student year which are a lot higher than most people assume.

Question: So they receive more money?

Answer: Very possibly, but community colleges may not be spending enough per student year in their academic programs. I am concerned about whether a sharp enough difference exists between the educational experiences of a student in community college academic courses, and those he had in high school. I think others are concerned about the same thing. To make changes in the educational experiences as definite as possible, it may cost a good deal more than community colleges are now able to spend on academic programs.

Question: If "serious financial difficulty" characterized a number of the colleges in Cheit's study, what may be the result? Does this mean simply a rough road back, or will fundamental educational changes be needed to end the crisis?

Answer: Today higher education is faced with the consequences of our national policy relative to post-secondary education. It is rapidly becoming, as it should, essentially universal. Education beyond high school is not only available to, but it is availed of by nearly every young person in our country who completes secondary school. Because of this, higher education must continue to expand, particularly in the community college sector. This is happening all across the country to some extent, but will need to be extended further if universal access to higher education becomes the public policy goal.

A basic question being answered in bits and pieces today concerns the relative obligations of the public and the student for bearing the costs of higher education. To put it bluntly, how much in the way of fees should students pay, and how much should taxpayers provide? Many private institutions operate at levels which would be appalling by most standards. Their fees are enough to almost bankrupt the middle class person with a child he loves who is bright enough to go to let us say Yale, but who is neither poor enough, nor a good enough athlete to

qualify for special attention. Next year's tuition alone at Harvard will be $3,400 and that does not include living expenses or the cost of books and supplies. When tuition rates reach such proportions there is real cause for worry about the absolute costs private institutions must bear. Here in the west we accept the fact that much of the expansion in education has been born by the public sector. We value private education and it has expanded greatly, but even its precipitous increases in enrollment have not kept up with those occurring on the public side. The discrepancy between what it costs a student and his parents in a private versus a public college or university is a glaring threat, and we are feeling now the pressure to change this by increasing fees in state institutions. Some proposals have been made to shift the fiscal responsibility for higher education to the federal government, through underwriting the students' costs by a plan similar to the GI Bill. Others suggest we socialize the financing of higher education. Many question both approaches doubting that Congress will, in reality, set a high priority on such schemes; many express concern over the possibility that permanent federal funding might result in federal budgetary, fiscal, and even ideological control. Neither should be taken lightly.

Question: One of the recommendations of the Carnegie Commission was to shorten the length of time for students to achieve objectives. What are the prospects for this proposal?

Answer: In Less Time, More Options, the Carnegie Commission recommended that we examine the reason for keeping this wine in the barrel for a minimum of four years in order to say it deserves a baccalaureate degree. The report also suggested that students be emancipated--that they be treated as adults ready for secondary education--and efforts be made to reduce the time necessary to obtain a baccalaureate degree. Better articulation between high schools and colleges and finding ways to validate educational achievement are two possible approaches recommended by the Commission. Currently, I am working with some people on aspects of the problem of reducing the time it takes to gain educational objectives. This, surprisingly, is an application of the cost effectiveness idea. In fact, many of the ideas in Less Time,

More Options are not new. They have been tried before, but rarely taken seriously. I think this document, and others like it, merit your attention as community college trustees.

FEDERAL SUPPORT OF HIGHER EDUCATION: WHAT ARE THE PRESENT POLICIES AND FUTURE TRENDS?

Bernard Kelly
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Health, Education, and Welfare
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It always amuses me when I am introduced, and I must apologize. When I leave the office, the public information officer sticks in my pocket some material prepared for people making introductions who do not know me or my department. Reading from this piece of boiler plate which I provide them, speakers typically stumble over my meager academic credentials and finally get to my work background, which includes the lofty-sounding position of production manager in a food processing plant. Actually, I was an expediter in a chicken factory. Although it was my first job when I got out of the service in 1953, I have come to see it as not altogether different from the one I have now in HEW; expediting in a chicken factory is rather like running a regional office for the Department of Health, Education, and Welfare.

I know that it comes as no surprise to those of you associated with education and health programs, that during the past fifteen or twenty years technical assistance and financial aid programs have proliferated within the executive branch of the federal government. In the Department of Health, Education, and Welfare alone some 290 separate pieces of legislation have provided grants-in-aid to states, local governments, private community colleges, and so forth. Each one has its separate legal requirements, its own regulations, and its own inherent confusion. All were enacted by well-meaning legislators in response to needs their constituents told them existed in their communities. I think we have reached a point within the federal government of the United States, however, where there are just too many programs; they are too diffuse, and have too many requirements and regulations, until it has become increasingly difficult for people like you to come to grips with the federal government. Even within the bureaucracy, career civil servants like myself cannot comprehend the vast number and complexity of existing programs. The result has been that we have divided ourselves into pockets of expertise--little bailiwicks of knowledge--so that those approaching the federal government often encounter people with only narrow, categorical views of their jobs and lacking in any real appreciation of the needs and problems of local communities.

One reason we have so many programs, and why they are so troublesome, is that they have been enacted rapidly and with large appropriations attached so that the federal government has had insufficient time to construct new and innovative ways of doing business. What we have done typically over the past ten years, to my knowledge, is to replicate previous styles of regulation and administration when implementing new programs. Because we have only a very short period of time, a massive appropriation attached, and a desire to get the money to the community as soon as possible, we use the only means we know--the way we did it last time. I think this similarity in the way programs are put on the books and administered has caused much of our problem. In essence, there has been too much money allocated too quickly for us to come to any rational decisions about how these programs should be administered.

Another aspect of the problem was described by John Gardner as a vertical-functional autocracy between federal, state, and local government officials. An example would be the federal health specialist in one of the categorical, grant-in-aid programs who becomes acquainted with a state official with similar interests and professional background. The latter in turn becomes associated with a person at a lower, local level of government and they begin to develop a feeling of trust and mutuality in a dialogue that is essentially vertical. This develops into a very narrow and categorical type of feudalism within the federal system.

I see another trend which I would characterize as hardening of the categories. I mentioned the 290 separate programs, each with its own regulations, that come through my office alone. Title I, Title II, Title III, 3-14 A, B, C... I could probably go on for an hour listing grant-in-aid programs, all of them categorical. HEW is the largest, I am sure, in terms of its categorical grants for health, education, and welfare; but every other domestic department within the executive branch is plagued by the same kind of problem. Furthermore, this huge and growing categorical network develops a middle-management mentality which acts as an impediment to getting the job done ef-

ficiently. I remember that when Harry Truman left the White House he said something to the effect, "Poor Ike. He's coming to the White House after a military career of thirty years, and he's going to issue orders and write memoranda and nobody's going to pay any attention to them. He's going to try to change programs and nothing will happen." I think the primary cause of this situation is the existence within the middle-management bureaucracy in federal and state governments of individuals who resist change as a means of self-protection. This protectionist attitude is further strengthened when people have categorical knowledge no one else has, and when they ally themselves with state, local, and lobby interests.

Professional groups constitute one more factor opposing change. Well-meaning as they are, they have become so strong in this country that their lobbies can prevent changes in regulations even when it is painfully obvious that the people who pay taxes desire them. Policy makers--such as the President and cabinet members--quite often do not control programs for which they are responsible. I recall in 1968 when President Johnson sent to the Congress a draft to legislation which would have consolidated into a single grant a number of vocational education categories within the Office of Education, thereby simplifying the way communities and states could obtain federal funds. After several months of acrimonious debate, incriminations, and caterwauling, a bill emerged from Congress. Believe it or not, it had seven new categories plus three ear-markings for specific parts of the country. The 90th Congress also rejected another proposal of the Johnson Administration which would have pooled similar grant funds and provided comprehensive planning for their use. These are the tragedies of our system. Our resources are almost inexhaustible--financial and otherwise--but we cannot get them to the right place because we are bound up in our own red tape.

Another brand of protectionism exists within Congress--think of the many bills with names attached to them. A congressman is loath to give up such a monument to his own ego, and will protect it at any cost. He derives great satisfaction and pride from the knowledge that

he constructed this bill, which he sees directly affecting problems throughout the country. To try to change such a bill, if only to decrease its categorical strength, is therefore almost impossible because of one individual's identification with it. Such forces prevent our breaking through governmental red tape and effecting needed change.

A common impression held by Americans is that scaling down the Viet Nam war would make an immediate largess available for critical domestic programs. I think this might be a dangerous view, at least for the immediate future. Our economists estimate, as you know, that if we were to stop the war in South East Asia today it would be at least eighteen months before a fiscal impact would be felt to the extent that money would be available for domestic uses. And competition is growing among various interest groups for what federal monies we have. Housing interests, for example, tell us of the critical shortage in this country which forces many people to live in sub-standard conditions. This substantial and influential lobby claims that federal and state governments have a responsibility to put more funds into public housing. In effect they are seeking a piece of the federal and state action. At the same time, I believe that a tax revolt mentality is developing in the United States in response to the amount of taxes we have been paying. Local and state revenue gathering agencies have just about exhausted their ability to get more money from local sources and depend increasingly on federal funds, even as the federal machinery is losing its sensitivity to taxpayer's needs because of its inherent structure.

There has been a lot of speculation about the federal budget which the President just submitted to Congress for fiscal year 1972. I read an article today in the Wall Street Journal, for instance, regarding how much money will go into domestic programs, how much will be devoted to revenue sharing, and so forth. A significant, but often forgotten factor of the budgeting process in the United States is that money which one might assume to be available for grants-in-aid to communities is simply not there because of what is called the uncontrollable portion of the federal budget. This consists of legis-

lation which requires continuing appropriations, such as Medicare, Social Security trust funds for insurance, and the rapidly expanding Medicaid program. Once enacted, these statutes require that every year, if the states provide matching funds, federal revenues must be available for allocation. These are uncontrollable in that they are beyond the control of the administration, and they get larger every year.

It may seem peculiar to you for a federal official to describe the troubles with red tape and bureaucracy within the federal system, but it is our own government--yours and mine--and I feel a certain responsibility to you because I help run a part of it. I am not altogether pleased with the system, and I share your sense of frustration when you try to initiate something for your college or community. I must add that my attitude is not completely negative. Even though I describe deficiencies which are obvious to me as a federal official, I often defend the system for I believe it to be basically workable and improvable. Considering the inefficiencies existing on a different scale within state and local governments, I feel the federal system has received an inordinate amount of criticism, possibly because of its size.

I submit that its problems are not obscure. Any reasonable man with a little experience could examine what goes on, and after some research, develop a plan as rational as those proposed by congressmen and federal administrators. However, solutions are difficult because of built-in forces working against change, such as personalities and special interests. We are all aware that government is strewn with the bodies of many noble and brave men who have tried to alter the system. I think of John Gardner, former secretary of HEW, and men like Abe Ribicoff and Bob Finch who had glowing pictures of how things should be and tried unsuccessfully to change a monster so large that our office alone employs 104,000 people.

What are we going to do about this dreary situation? The fact that I am here today is evidence that something is being done, although I take no credit for it. As one of his first acts in 1969, the President issued an executive order describing the tangled regional

boundaries of the federal domestic agencies. Today there are ten regional offices, where a year ago thirty-five existed with boundaries resembling a plate of spaghetti when superimposed on those of other departments. Regional cities for these departments had been established without regard to area-wide or statewide planning, so officials doing business with three or four of them literally had to go to three or four cities. An example of this came up in a recent conversation with Governor Andres of Idaho whose previous position as chairman of a senate committee required contacts with numerous governmental agencies. He described going to Chicago for talks with HUD, to San Francisco for the Department of Labor, to Kansas City for the Office of Economic Opportunity, and to Denver for the regional office of HEW. He told me that he has spent several weeks traveling around just to find out whether or not Idaho was eligible for certain grants. Now he can come to Seattle alone and obtain the same information. Presidential order has established ten co-terminus regional boundaries for the departments of HEW, Labor, Transportation, HUD and OEO. These will soon be joined by the Office of Emergency Planning and the Departments of Interior and Agriculture, until within a few months all domestic agencies will have regional offices in each of ten cities.

We have gone one step further in Seattle in that we all share the same building--an old seven-story department store which we selected with the intent of stimulating Seattle's economy and downtown area. The conversion requried considerable imagination, and I take comfort in knowing that my office is located in ladies' lingerie. Because the elevators and escalators remain between several floors, we literally must walk past each other when we go to lunch or come to work thereby lessening those interdepartmental differences which developed due to our physical separation. After a few months, communication has improved to the point where I know more about the Department of Labor than I ever thought I would, and people in other departments are far more knowledgeable about my office's activities. The increased efficiency accruing from this arrangement is evident in the first visit of the Governor of Idaho when five regional directors sat down with

him to solve their common problems.

In response to another presidential mandate, these regional directors have formed a council to regularly discuss problems and make decisions affecting domestic programs. Our common regional boundaries and location in the same city--and in our case in the same building--have combined to improve communication, making the experiment a success despite continued difficulties with the categorical aspects of the programs.

In his State of the Union message, the President proposed reorientation and reorganization of the cabinet agencies in the executive branch. As a means of simplifying the federal government's operations he would combine seven departments into four, each organized by function. I have no doubt that this will be debated nationally during this session of Congress and on into the next. From my point of view as a citizen, and with my knowledge of how one department of the executive branch functions, I see the proposal's logic and therefore hope Congress will consent to it and assist the President to implement the idea.

Another presidential suggestion--revenue sharing--would help overcome obstacles in getting federal funds to the communities. For example, each of the categorical programs has a different matching ratio; in some, one dollar of state money brings nine dollars of federal money, while others require state and local governments to raise three dollars for every seven provided by the federal government, and so on. Those in universities and colleges who must deal with these grants need an enormous amount of information which is supplied inadequately by the available government manuals, as large as they are. Revenue sharing would obliterate many categorical programs, after legislative reform to remove them from the books, and would return certain monies to the states on a formula basis with no strings attached, except a pass-through provision requiring that a percentage of the money go to local communities. States, counties, and communities would decide how to use the money and, if they chose to put all funds into a community college, or a bridge, or a hospital,

that would be their business. This approach requires a different view of federal financing because many states receive more money than they put in. The state of New York, for example, often points out the great imbalance between its contribution as compared with that of states with low populations and industrial bases, such as Nevada and Alabama.

I think revenue sharing would enhance the ability of local communities to obtain money and to influence its use. We have long complained of the federal system's insensitivity to local problems, but if revenue sharing becomes a reality decisions will be made at a level presumably responsive to community needs. Yet I do not know whether we are prepared at the local level to make these decisions. We may build bridges where there is no water and hospitals where there are no patients, however, this might not be much worse than the way we do things now. I have an abiding faith in the ability of people to make their own choices and, in spite of a certain amount of floundering, I believe that we benefit most when red tape and government between us and what we need are kept to a minimum.

As the federal government goes about decentralizing decision making to the regional offices and then further to the states and local communities, it needs the support of people interested in community problems and improvement. Over the years, power has tended to gravitate toward Washington, D.C. because congressmen and lobbyists are centered there, (and those of you in education know the strength of the education lobby) and because all branches of the federal government are concentrated around the capitol. In spite of a system characterized by red tape, I have come to the conclusion after twelve years of experience in a federal agency that most of the insensitivity results from size rather than the recalcitrance or stupidity of bureaucrats. We have our share of them, to be sure, but the vast majority of federal employees I have worked with have been as reasonable and dedicated as people elsewhere.

If we can sustain our efforts long enough to get the support of people with jobs to do, then we will carry off what I see as the

most exciting undertaking of the United States government in over one hundred years. If we fail, I suppose I can go back to plucking chickens.

FEDERAL FUNDS FOR DEVELOPMENTAL PROGRAMS IN COMMUNITY COLLEGES

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When asked to talk about federal funding, I was told the audience would include people who favor it and want more, as well as some who oppose it and want none. This information did not worry me because these viewpoints are to be expected whenever three or more people get together. Starting from a philosophical point, I will describe today some practical observations I have made of actual operations, and then I will discuss ways we should utilize the opportunities of federal funding. Much of what I say will represent my opinions, rather than facts, but they are based on enough personal experience to at least partially justify my presenting them to you.

Why federal funding? One of its primary purposes is to create equal opportunity by leveling the tax base, a goal supposedly shared by junior colleges. I have yet to find one which says in writing, "We are against equal educational opportunity for our students," yet some of their rules and practices tend to mitigate against implementing the concept. National goals are essential in determining the direction of federal programs. The Constitution requires the President to make a State of the Union address in which he identifies the problems and goals of the nation, and from which we derive objectives, hopes, and aspirations. In recent years we have stressed working with the disadvantaged and with people of different colors, and overcoming the problems of illiteracy, hunger, and poverty. When the federal government puts money into such programs, results are almost immediate. Institutions of higher education, however, are slow to act and react. Compared with other elements in our society, colleges and universities tend toward inertia and mediocrity so that they need the impetus provided by federal programs designed to achieve specific ends. The existing system does little by itself to solve this series of problems, but we hesitate to change it because it seems to work.

The National Defense Education Act of 1958 is an example of how federal programs can influence educational institutions. Among its objectives was the training of computer technicians in junior colleges. The state of Washington was one of the leaders in a widespread movement to take advantage of the available funds and is presently reaping the

benefits of having developed a number of fine programs in its junior colleges. Student financial aid programs are of more recent vintage and are helping students who lack the financial assistance necessary to attend college. These programs are not without flaws, of course. All computer courses in colleges across the country are not good ones. Nevertheless, I think it is basically an excellent program, and the same is true of financial aid. Every school will have a few students who use the system solely to get money and who fail to achieve the objectives of the program. By and large, however, we have brought people to college who might not otherwise have come.

Although it is difficult to tie means to specific educational outcomes, an overview of the total effects at both the school and national levels suggests that these programs do a job that would not have been accomplished without them. The GI Bill, for example, has paid handsome premiums back to the government--more than compensating for its original cost. Government supported education, such as the new math and science programs, have made a tremendous impact on junior colleges through changes effected in students prior to their entering our hallowed halls. There have been exceptions. Some programs were adopted too quickly and with insufficient thought, like the language laboratories which sprouted like weeds and have proven almost as worthless. Our experiences with instrumentation technology has been similar, although we have not invested in it as heavily as we did language laboratories. Despite the large amounts of money spent, these programs were adopted without adequate planning and ignoring safe-guards that we do have available in our educational system. I have doubts about some computer programs on the horizon, such as those in ecology technology. Concern about ecology is commendable, of course, but I am not satisfied in my own mind that we know where the jobs are going to be or what kinds of training will be needed for them. We do not yet know the kinds of students or the aptitudes which will be required for occupations in ecology. If we are talking only about general education and helping people become aware of something crucial to them, such courses are appropriate. But by establishing ecology as an occupational program, we may do our students a disservice by ignoring the available

safe-guard of knowing where we are headed. I am not speaking against ecology, but I am opposed to moving ahead without sufficient information and thus penalizing students.

Programs funded on a categorical basis by the federal government are paying for change. They are, in a way, putting up dollars as a catalyst of change, recognizing that our human traits will move us in the direction they desire. Now if they, meaning the government, are correct we will later judge these changes as good. On the other hand, if they have failed to do their homework, or if their motivations are primarily political, we may find ourselves in trouble. Given our ability as boards of trustees and administrators of junior colleges to look at opportunities sensibly, I think we can avoid jumping on the wrong wagon and instead, take advantage of federal programs which are consistent with the philosophy of our own institutions. By definition, improvement is impossible without change, and change almost invariably enhances the chances of improving. Assuming the need for change and our difficulty in accomplishing it in institutions of higher education, I think it is a great boon to have someone from the outside over whom we have no direct control influence us toward change.

What are the major problems in federal funding? I lump them all together under the general category of management. Whether at the federal, state, or local level, the critical point is not the funding source or technique, but how people manage the programs. At the federal level, the old problem of bureaucracy exists, claimed by some to be the fault of the civil service system. Whether or not this is the case, government bureaus do contain certain elements which work against successful programs. For example, when one office controls a program which for sound management reasons might be combined with others and placed in a different office, power is exerted to prevent the move. This is what I see as bureaucracy. It was evident in the administration of Mr. Finch who spoke in his early days in Washington of creating a division which would be a central focus for junior college funds, and would help channel more money toward these institutions. I doubt that this was a reason for Mr. Finch's shortened tenure as Secretary, but I do think he lacked understanding of the strength of the bureaucratic

system.

Political influences are also involved, as evidenced by the history of any piece of legislation. Initially, few know much about a bill--except perhaps an astute individual or two who have a particular interest in it--until the publicity breaks. Congress, and subsequently the President when the bill is passed on to him, all take as much political credit as they can. Funding is the next step and this involves the well-known political trade-offs; adding, deleting, and exchanging elements of bills until they are acceptable to everyone concerned. These are facts of life within a system I believe to be the best in the world, but which nevertheless has parts needing examination and improvement.

The budget system is one of the biggest stumbling blocks in achieving optimal use of federal dollars coming to junior colleges. Everyone gets concerned about budget cuts, even before the budget is released, but few realize that the Bureau of the Budget has a tremendous influence even after the budget is approved by the President and returned for implementation. It has the right, for example, not to spend certain monies. Such complications mislead us as we look at the federal dollar and its impact on our junior colleges; we develop plans hurridly only to tear them up because of vascilation in what I call an uncertain surge system. My house in Walnut Creek, California was flooded once because a nearby creek had formed a temporary dam out of debris from its banks. It finally broke. If the water had come through at an even rate we would have had no trouble. As it happened, it was not unlike trying to get a drink from a fire hose. Similarly, when money comes to us unexpectedly we are required to submit proposals immediately and make critical decisions under circumstances which ignore the normal evolution of good program planning. We try to drink from that fire hose and typically we get our heads knocked off. The budget system is responsible, in part, but I think we tend to over-react in some cases and under-react in others, and we focus on the wrong things. I believe that we should stress continuous development of institutional objectives and plan ways to keep innovative

ideas flowing. Only then should we look for funds to help us overcome hurdles in reaching our goals.

Another problem in Washington is the difficulty finding qualified people to take federal jobs, because of the frustrations inherent in the work. We need, therefore, to back up those people in Washington who represent and understand the junior college and who will fight the bureaucratic system which works against us. For several years the Office of Education has had unfilled positions in the junior college field, partly because it has lacked knowledge of how to find and recruit from our ranks. In this we can help by encouraging people to take such positions and then backing them by keeping in touch and helping in any way we can with the tasks to be done. Washington is like Never-Never-Land--you never see students or know the effects of your program, and you are required to do endless paperwork at high frustration levels. Yet even though I cannot see myself working for the federal government, I do encourage others to do so becuase I can see the excitement of the junior college movement.

The political intents of Congress are important, although not as significant as they should be. We often read and are impressed by the broad phrases used by congressmen--and then the guidelines are written. There are policy papers, white papers, minority reports, and a whole series of frustrating time-tables to be lived with. All are used as excuses for not doing a good job. We know we should go into the field for advice, but we do not have enough time because we must go through all the required steps. The only way we can arrange to talk to even a few people is to gather them together for one day, realizing that this is not good management practice and only perpetuates the system.

These are the kinds of things I see in need of change, and I think we in the field can create the necessary pressure. As trustees, you can cause change in the funding cycle by pushing for multiple-year funding, that is, funding programs for more than one year. There is no need to set a new precedent, for it has been done in the past but not very frequently. Legislators need reminding that if they believe

in the worth of a program, it ought to be funded for a long enough period to give it a fair trial. A chaotic situation develops when people are asked to prepare written reports evaluating a program at the end of the first year, when they did not receive money until the year was almost over. They feel compelled to do this in order to receive funds the following year. This situation could be avoided if programs were funded over a three-year period.

In general, federal guidelines are quite informative and I urge you to read them. Follow one program through the background discussions that went into the bill, the hearing materials, and the actual law as it was passed. Then review the guidelines as written by the federal government, many of which are sent to the state departments of education where further changes are often made. Finally, see what happens to the program in your own institution. In the process you should get a good idea of the evolution that takes place in the federal funding so crucial to our schools in this time of "tight money."

All problems do not originate at the federal level; state laws may nullify opportunities created by the federal government, for example, the building loan programs. The federal government is trying to improve schools and, knowing facilities are critical, it sometimes provides money for buildings. Some states, however, prohibit this form of borrowing money. In addition, state operations are usually organized by educational levels and this tends to splinter or water down opportunities for junior colleges to obtain federal funds.

We in the states shirk our responsibility when we fail to stand up and object to such practices, like a student who knows the professor is doing an inadequate job, but happens to be getting good grades so is reluctant to report the professor to higher authority. Some of today's students will do just this, and I commend them for it for I think too often we accept situations when we could improve them. We could help keep the game honest, but we choose not to because the very people who know the most about how to cause change are also those getting a large portion of the money. States may publish guidelines and then silently deny opportunity to some within their own classifications.

This is a very difficult problem to deal with from the local level, because you may not know of it before you write your applications or design and develop your programs. You are led to believe that you can apply for monies to support an activity and then you learn that, although you were not told of current priorities, that kind of activity is being funded right now. I think we should question this practice immediately and loudly, and I try to do this and urge you to do so likewise.

Some of our problems stem from our lack of understanding of the game. We simply do not know enough about federal and state funding within the political arena and, instead of getting involved, we become reactionaries. We react to money and opportunities which suddenly appear before us as to a target on a firing range; and then we make excuses by placing the blame on our colleagues in the federal or state government. It is a beautiful screen to hide behind, because few people will check it out. They accept our claims that "I couldn't do anything else;" "It wasn't my fault, it was <u>their</u> fault;" "<u>They</u> imposed this on me." Yet very few of those impositions are fact.

We forsake reasonable planning techniques, and we fail to manage our programs. We complain of red tape, the number of reports, our lack of time, and the difficulty of writing proposals. We say funding is too uncertain. I suggest that this is all malarky. Not that much red tape is involved in applying for funding. True, reports tend to be frustrating, but usually because we do not know what we did or else do not want to tell about it. Our complaints about lack of time stem from our failure to plan ahead for our college, or to keep up with legislation before it was enacted. If we had, there would have been ample time before actual funding for us to develop a proposal. We tend not to act because of uncertainty as to whether a bill will be passed, and so we fail to match it to our institutional objectives. Seldom are we ready, therefore, when opportunity knocks. If you examine those schools which are receiving large quantities of federal dollars, I think you will find the antithesis to each of these points. They will have someone looking for opportunities long before funding.

There are few real techniques of gamesmanship or grantsmanship;

most involve simply understanding what is going on and being prepared by doing your home work. One of your big responsibilities as trustees is to keep administrators on their toes in this aspect of planning. I am not suggesting that you get into the administrative role, but that you ask for and demand good reports and enough involvement so that you understand the direction of the institution and how it is meeting the policies you as a group established. Planning is essential, even if opportunities get passed by in the process. This has happened within the past two weeks at my own institution, and I say so without embarrassment. We were not ready to ask for assistance in helping us construct a building, although we think we need one. Because we are not sure and we would not know what to do if someone gave us the money right now, we have not yet asked for funds. This type of caution is needed as we look at federal funding opportunities.

You have a responsibility for organizing and staffing to take advantage of all opportunities. Every college or district should have a program officer, or as he is called at my institution on education development officer. He should report as a staff person to the president or superintendent, and I say this knowing that the president's task is tremendous and that everyone in the college cannot report to him. But this advocate of change or ombudsman in the popular phrase, can help pay his own way, make profit for the college, and at the same time assist the president bear the burden of reporting. Successful proposal writing also requires a person actively involved in the institution, and not just a technician. Many consulting firms have failed to market their services to write proposals because of their lack of involvement with the institution. Furthermore, a cavity remains after they leave which creates real problems, whether or not you receive funds. A development officer should be right there and involved in the educational porgram. He needs enough power to gain access to information appropriate to the task at hand. This can be achieved through the president, so I recommend a staff rather than a line position, although I understand the frustrations and lack of authority inherent in staff relationships. And you must provide

enough clerical and financial support to allow the development officer to get the job done, including funds for travel so that he becomes known.

Planning is an on-going process involving determination of the college's goals and its philosophical direction, and then developing policies for improvement which fit that philosophy. If you are unaware of the proper steps to go through in planning an occupational program, many documents are available, and a number of consultants can guide you in the right direction. I think too few consultants are used by junior colleges for too many kinds of programs exist for you to have expertise in all of them. You set out to discover a new wheel when we have an assortment of wheels already developed. People have met your problems before and experienced and paid for some failures; why should you pay for them again? I am not saying you need outside help on everything you do, but do not overlook the opportunities of consulting people who have had experience in the kind of thing you want to do. You can avoid some very costly mistakes.

Too frequently you fail to set priorities among your philosophies and policies so that when something pops up--as it always will--you must rearrange your priorities or become reactionary, like the housewife who suddenly discovers a dress sale. I have the same problem when I go into a hardware store. I tend to become reactionary and buy things that I had not planned on or thought I needed. This happens too often in program development. All of a sudden, an idea is presented and we take action on it, not recognizing the degree of commitment required to finish the job. In the meantime, we start something else, forgetting that a person has only so much energy. Just because you put down on paper that someone is to spend 50 percent of his time on a certain task does not mean that he will be able to devote that much time to it. Administrative steps must be taken to clear that workload with a person who can handle two separate jobs at the same time, and not get them fouled up, and to make sure you have not already committed 150 percent of his time. You do not just put money in and get more energy out, for there is a point of diminishing returns. You

must have the manpower to carry out your plans.

I am reminded of a college in the middle of the country, which had just purchased a 360-40 computer and had assigned an $8000-a-year man and three junior assistants to its operation. The president told me proudly, "I have told my faculty that, now that we have this wonderful machine, I want every one of them to get involved with it." I said, "What would you do if they took you up on that? If even 20 percent of them did what you asked, where could you get support for the cost of their learning to use the computer? You told me previously that you blew your budget buying the machine, so all you've bought is a problem. You haven't bought any solutions." The board members, incidently, were thinking of charging higher tuition for students using the computer in their programs, while at the same time they advocated the open-door policy of admissions. Originally they all supported the counseling program to sort out students in terms of abilities, aptitudes, interests, and so forth. Now they proposed sorting them out on money. These inconsistencies crept in without anyone really stopping to think about them, and they represent a basic problem of mismanagement on all levels; yours and mine, federal and state.

Planning must go on continuously. We must recognize the amount of manpower required to get a job done, and commit ourselves to follow it through or abandon it if it does not work out. Help is available from the guidelines I mentioned, but I have yet to have a board member ask for a copy related to any program. Guidelines could be a great help in providing a series of logical questions to ask before seeking answers in proposals. I know proposals are read frequently by board members and they tend to follow the outline given in the guidelines, but I think you ought to get more deeply involved in at least one program in order to understand what they are about. Look forward to legislation and take advantage of the time lag in funding. Get involved. Know your legislators and be sure they know your college. Visit the state capitol often, and Washington, D.C. whenever you can afford to, but certainly more often than once a year.

And become active in your associations. The National Association of School Boards and the American Association of Junior Colleges are

very much interested in helping you achieve your goals. Check with the association staffs when you are planning a trip so you can learn how to be most effective. If you have never visited legislators in Washington, the associations will be glad to give you a "quickie" course on how to make the approach and what to talk about--not telling you what to say, but how to get your message across and how to make appointments, etc.

These services are too frequently overlooked. We received a letter from the American Association of Junior Colleges telling us how we might take advantage of an attitude of which we were unaware in the Office of Education in Washington. The funds allocated us for student financial-aid were less than we had requested, but we were advised to appeal because an attitude to review prevailed. If not successful at the regional level, we were told to make a second appeal to Washington directly. This was good advice, and represents an effective technique in many more instances than the particular item involved.

In summary, I do not regard categorical aid as bad. Rather I regard this type of legislation as necessary and beneficial, although we must use it wisely and press for changes needed in our system. If we can get your reactions and work together to utilize your potential for political pressure, we can influence legislators to make changes needed in solving some of our problems. We need to do better planning and to put more manpower into the process--the increasing complexity of administration today takes far more people than it did ten years ago. I believe we can get the mileage from federal monies that was hoped for in those grand terms of the written legislation.

QUESTION AND ANSWER PERIOD

Question: In the state of Washington we have a state board, as well as local and county boards and those of our individual institutions. How would you react to the idea of mounting the services you spoke about at the state level--with planning, coordination, and feedback from local campuses--rather than each campus having its own?

Answer: I would be opposed to that as an "instead of" technique because, in my opinion, an ombudsman or program developer must be intimately involved with the college. I cannot see him operating from a distance. This may be feasible in some instances, such as in a two-campus district office, but I cannot conceive of it beyond that. I am not saying there is no function for the state to perform here. Oregon, for example, has an office that facilitates communication in certain areas, and I have found them very useful. They are doing a great job. But a state office should not be used in lieu of a development officer on campus, even though the technical matters of obtaining funds could be handled in this way. Getting funding for good programs and making them workable by involving the faculty who will carry them out--to agree to the idea and then develop it as part of the system--this cannot be done from the state capitol. It must be achieved by a person who is right in the mix and working with it; someone whose livelihood depends on professional happiness and satisfaction derived from a job done on campus.

Question: Would you comment on the inherent dangers in federal funding, for instance, getting too much money or depending too much on a source of funds which may dry up someday?

Answer: You have made a good point in your question, and I back it up. It is all a matter of degree and sometimes we can get into trouble due to the complexities of funding. There is the question of "seed-money" mentioned by our previous speaker this morning. It is not a bad idea, but I wonder how honest we are when we accept it for the purpose implied in its name? In truth, we hope it goes on for a long time and don't want to do anything after we buy the seeds. We want continuing support and we kid ourselves into thinking it will be there, because

historically that is what happened. In spite of the phrase attached to it, funding has continued year after year, even though labeled "seed-money." I think there is danger in this dishonesty with ourselves when we accept initial funds without full awareness of the possibility of their drying up. We are not unlike the man who buys more automobile on time than he can afford.

As to your second point, I think it is not possible to get too much money, with the qualification that you have well-planned institutional goals and give consideration to the ways the funds will fit into your plans. This is why I stressed the importance of planning for more than the immediate future. We tend to react too quickly in making decisions, and don't really know where we are headed. This leads us into trouble. When we take on something that sounds like a good idea, but does not fit into our institutional priorities and philosophy, we spin off on a spur what may cause difficulties when that arm is cut off. There are some dangers, but I think we can avoid most pitfalls by simply examining them to see where that may lead us, and then anticipating the possibilities of their either being cut off or perpetuated. In this way we can make decisions based on these alternatives.

Question: We were criticized by an accrediting committee for relying too much on federal funds, and we are presently investigating that. But buying equipment and hiring people for a program are two different things. What happens to established programs and the individuals in them when those funds are gone? How does the concept of long-range planning fit into this situation?

Answer: I think we have to be somewhat opportunistic. For example, we have a program for disadvantaged students for which we receive substantial funding and we have several people working in that program. If the money dries up, so do the salaries. Either they go into the classroom or somewhere else. In the meantime, however, we are helping kids right now who would otherwise not be helped. This fact enters strongly into the decision to move forward as far as we can, and accept the risk of not having a program three or four years from now. Frankly,

we expect to have it in two or three years, but beyond that my crystal ball gets a little hazy.

Question: You have emphasized the importance of a local district working to get "seed-money" for projects. Can a local district alone work to get such money and evaluate a program as a long-range solution? Might not local and state agencies work together toward comprehensive long-range plans? Is there a role for some sort of state coordinating unit for evaluating local projects?

Answer: Of course. I do not oppose state operations entirely. I see a place for coordination from the state--of resources, people, dollars, and for helping with long-range planning. A state can take a larger perspective and prevent unnecessary duplication of programs, but it cannot serve the role I do in my institution. This function must be carried out on the local level.

Question: You implied in your talk that there is no difficulty in getting federal money if you apply for it. I disagree with you on the basis of my two years experience with the MDTA program. We were told that $9,000,000 was available so we submitted our proposal. After two years, we now hear there is no money left.

Answer: I understand your point and know that any given program is subject to some whims that are very difficult to accept and like at the local level. I have had similar experiences, although I believe that the long-term batting average of federal funding is quite high. Alot of federal money is being spent, and we will come out ahead in the long run if we make the concerted effort necessary to take advantage of the opportunities offered. As an example, when I worked at Golden West and Orange Coast Colleges we submitted proposals to a particular piece of legislation. One won, and the other did not, so in my office I was batting 50 percent or 500. I could not convince the college that did not get funded of this, for they saw no results. The other college was delighted, however, because it was batting 1000. You need to understand that things balance out eventually; that there is complexity and flexibility in the system; and that commitment, perserverance and planning will ultimately produce results. An example of what can hap-

pen occurred while I was at Orange Coast. One of the music instructors and I often talked over lunch about the possibilities of developing some occupational programs in his area. One day he came to me and said, "I need some money to support me as an understudy to a fellow back in the midwest who is to brass bands what Sousa was in his day. I've talked it over with him, and he will take me on if I can get a grant to support me." I said, "This is a little out of my line, because we don't have much demand for this particular kind of funding. However, if you call person-to-person to the Director of Programs for Band Directors in the Office of Education in Washington and tell him what you are interested in, within four or five hours you should be connected with someone who will talk with you about this particular subject." He did just that and four hours later had verbal approval of his application. The papers were submitted and he did get the grant. There are tremendous opportunities--their variety is beyond my comprehension--so that I accept your challenge that money for a particular project is easy to get.